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DPD-3245-59

13 May 1959

MEMORANDUM FOR THE RECORD

SUBJECT : Concurrence in Amendment No. 5 to Contract
No. SP-1917 with Lockheed Aircraft Corporation,
Burbank, California, OARFISH/AF-1, Project
CHALICE (Air Force)

1. This memorandum contains a recommendation submitted
for concurrence of the undersigned. Such recommendation is
contained in Paragraph 5.

2. Contract No. SP-1917 is a fixed price open call contract
used for the procurement of kits and spare parts by the Project
and FOG. The prices for items procured under this contract are
established by the use of a previously agreed to formula arrange-
ment which is periodically negotiated. The purpose of Amendment
No. 5 is to evidence the rates and formula agreed to for the
period 1 January 1959 through 30 June 1959.

3. Amendment No. 5 to Contract No. SP-1917 provides for
\$30,000 additional funds which makes a total contract considera-
tion of \$275,000 for the Project which is within the FY 59 approved
budget figure. This \$30,000 should be charged to CHALICE FY 59
funds. The Air Force allocation of \$500,000 is increased by \$67,000
during FY 1959 and should be obligated against Air Force "No Year"
funds. By concurrence to this memorandum the Comptroller signifies
that funds are available for these additional obligations.

4. Certification of funds for this contract will be handled
under the procedure approved by the Director of Central Intelligence
on 15 December 1956 which, in effect, results in all 8(b) expenses
involving issuance of Treasury Checks being accumulated in a separate
account within the Finance Division. The amounts in this account
will be periodically scheduled for certification of the vouchers by
the Director. This procedure eliminates the necessity for a separate
certification of authority under Section 8(b) of Public Law 110, 81st
Congress, for each contract.

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5. Concurrence in Amendment No. 5 to Contract No.
SP-1917 is recommended.

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Chief, Contracts Branch, DPD

CONCURRENCES:

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5/18/59
Comptroller, DPD

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Office of General Counsel

DPD-DD/P:HL:pf

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